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## U.S. Government Estimates of Quarterly Revenue for Selected Services 3rd Quarter 2007

**Special Notice:** Quarterly services revenue estimates will be revised based on the results of the 2006 Service Annual Survey and 2002 Economic Census. Revised data are scheduled for release on March 12, 2008. All revised data will be based on 2002 North American Industry Classification System (NAICS) definitions.

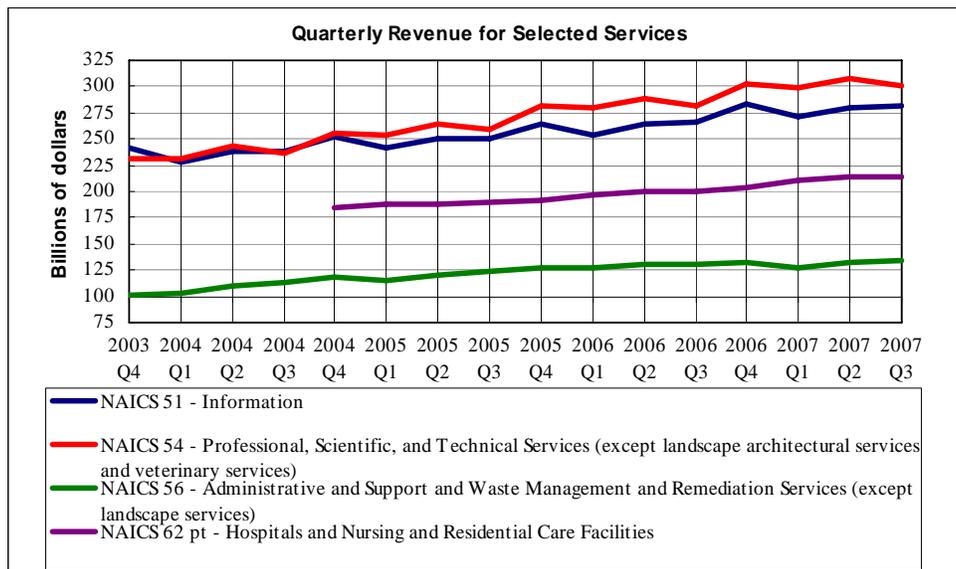
**Information** The U.S. Census Bureau announced today that the estimate of U.S. information sector revenue for the third calendar quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$281.7 billion, an increase of 0.4 percent ( $\pm 0.7\%$ )\* from the second quarter of 2007 and up 5.8 percent ( $\pm 1.3\%$ ) from the third quarter of 2006. The first to second quarter percent change was revised from 3.8 percent ( $\pm 0.7\%$ ) to 3.7 percent ( $\pm 0.7\%$ ).

**Professional, scientific, and technical services (except landscape architectural services and veterinary services)** The estimate of U.S. professional, scientific, and technical services (except landscape architectural services and veterinary services) revenue for the third quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$299.9 billion, a decrease of 2.5 percent ( $\pm 1.2\%$ ) from the second quarter of 2007 and up 6.2 percent ( $\pm 4.0\%$ ) from the third quarter of 2006. The first to second quarter percent change was revised from 3.5 percent ( $\pm 1.2\%$ ) to 3.1 percent ( $\pm 1.2\%$ ).

**Administrative and support and waste management and remediation services (except landscape services)** The estimate of U.S. administrative and support and waste management and remediation services (except landscape services) revenue for the third quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$133.7 billion, an increase of 1.6 percent ( $\pm 1.3\%$ ) from the second quarter of 2007 and up 2.5 percent ( $\pm 5.8\%$ )\* from the third quarter of 2006. The first to second quarter percent change was revised from 4.0 percent ( $\pm 1.5\%$ ) to 3.8 percent ( $\pm 1.3\%$ ).

**Hospitals and nursing and residential care facilities** The estimate of U.S. hospitals and nursing and residential care facilities revenue for the third quarter of 2007, not adjusted for seasonal variation, holiday or trading-day differences, or price changes, was \$213.5 billion, a decrease of 0.2 percent ( $\pm 1.0\%$ )\* from the second quarter of 2007 and up 7.0 percent ( $\pm 3.1\%$ ) from the third quarter of 2006. The first to second quarter percent change was revised from 1.3 percent ( $\pm 0.8\%$ ) to 1.2 percent ( $\pm 1.0\%$ ).

For survey description and an explanation of the measures of sampling variability included in this report, please see the last page of the publication.



Fourth quarter 2007 revenue is scheduled to be released on March 12, 2008, at 10:00 a.m. EDT. The scheduled release dates for the remainder of 2008 are as follows: June 11 (first quarter), September 11 (second quarter), and December 11 (third quarter).

This report is available on the day of issue through the Department of Commerce's STAT-USA Website; for more information, call (202) 482-1986

\* The 90 percent confidence interval includes zero. The Census Bureau does not have sufficient statistical evidence to conclude that the actual change is different from zero.

Our internet site is <http://www.census.gov/qss>

**Table 1. Selected Services - Estimated Quarterly Revenue for Employer Firms**

[Estimates have not been adjusted for seasonal variation, holiday or trading-day differences, or price changes. Estimates are based on data from the Quarterly Services Survey and have been adjusted using results of the 2005 Service Annual Survey. All estimates are based on the 2002 North American Industry Classification System (NAICS). For additional information see [www.census.gov/qss](http://www.census.gov/qss)]

2002 NAICS code	Kind of business	Total revenue (millions of dollars)						Percent change				Year to date		
		3Q 2007 (p)	2Q 2007 (r)	1Q 2007	4Q 2006	3Q 2006	2Q 2006	3Q 2007 from 2Q 2007 (p)	2Q 2007 from 1Q 2007 (r)	3Q 2007 from 3Q 2006 (p)	2Q 2007 from 2Q 2006 (r)	2007 (p)	2006	2007 from 2006 (p)
<b>51</b>	<b>Information</b> .....	<b>281,685</b>	<b>280,689</b>	<b>270,579</b>	<b>283,117</b>	<b>266,301</b>	<b>264,484</b>	<b>0.4</b>	<b>3.7</b>	<b>5.8</b>	<b>6.1</b>	<b>832,953</b>	<b>784,208</b>	<b>6.2</b>
511	Publishing industries (except Internet) .....	72,993	71,652	69,813	75,979	71,323	X	1.9	2.6	2.3	X	214,458	X	X
51111	Newspaper publishers .....	11,523	12,003	11,245	13,126	11,618	X	-4.0	6.7	-0.8	X	34,771	X	X
51112	Periodical publishers .....	12,299	12,450	11,421	12,739	12,449	X	-1.2	9.0	-1.2	X	36,170	X	X
5111 pt	Book, directory and mailing list, and other publishers <sup>1</sup> .....	14,793	12,437	11,795	13,645	14,582	X	18.9	5.4	1.4	X	39,025	X	X
5112	Software publishers .....	34,378	34,762	35,352	36,469	32,674	32,135	-1.1	-1.7	5.2	8.2	104,492	95,590	9.3
512	Motion picture and sound recording industries .....	25,379	26,871	24,841	27,686	22,432	23,599	-5.6	8.2	13.1	13.9	77,091	68,040	13.3
515	Broadcasting (except Internet) .....	24,385	25,068	23,615	26,029	23,233	X	-2.7	6.2	5.0	X	73,068	X	X
5151	Radio and television broadcasting .....	13,453	14,598	14,054	15,711	13,537	14,575	-7.8	3.9	-0.6	0.2	42,105	42,174	-0.2
5152	Cable and other subscription programming .....	10,932	10,470	9,561	10,318	9,696	X	4.4	9.5	12.7	X	30,963	X	X
516, 5181, 519	Internet publishing and broadcasting, Internet service providers and web search portals, and other information services .....	15,615	15,032	14,445	13,795	12,181	X	3.9	4.1	28.2	X	45,092	X	X
517	Telecommunications .....	125,414	123,566	120,477	121,453	119,260	X	1.5	2.6	5.2	X	369,457	X	X
5171	Wired telecommunications carriers .....	47,955	47,872	47,610	49,592	49,877	49,775	0.2	0.6	-3.9	-3.8	143,437	149,752	-4.2
5172	Wireless telecommunications carriers (except satellite) .....	45,584	43,877	42,802	41,814	40,853	39,277	3.9	2.5	11.6	11.7	132,263	118,201	11.9
5175	Cable and other program distribution .....	25,720	25,739	24,151	24,129	22,785	X	-0.1	6.6	12.9	X	75,610	X	X
517 pt	Other telecommunications <sup>2</sup> .....	6,155	6,078	5,914	5,918	5,745	5,484	1.3	2.8	7.1	10.8	18,147	16,336	11.1
5182	Data processing, hosting, and related services .....	17,899	18,500	17,388	18,175	17,872	17,672	-3.2	6.4	0.2	4.7	53,787	52,045	3.3
<b>54</b>	<b>Professional, scientific, and technical services</b> ..	<b>306,494</b>	<b>314,261</b>	<b>304,368</b>	<b>307,486</b>	<b>288,618</b>	<b>X</b>	<b>-2.5</b>	<b>3.3</b>	<b>6.2</b>	<b>X</b>	<b>925,123</b>	<b>X</b>	<b>X</b>
54 pt	Professional, scientific, and technical services (except landscape architectural services and veterinary services) .....	299,936	307,532	298,194	301,617	282,412	288,758	-2.5	3.1	6.2	6.5	905,662	851,104	6.4
5411	Legal services .....	58,674	60,567	58,715	68,983	58,743	X	-3.1	3.2	-0.1	X	177,956	X	X
5412	Accounting, tax preparation, bookkeeping, and payroll services .....	23,833	29,087	32,846	25,322	23,268	28,794	-18.1	-11.4	2.4	1.0	85,766	86,693	-1.1
5413	Architectural, engineering, and related services ..	66,955	64,974	63,125	61,932	60,413	X	3.0	2.9	10.8	X	195,054	X	X
5413 pt	Architectural and related services <sup>3</sup> .....	18,087	17,839	17,779	16,692	16,607	X	1.4	0.3	8.9	X	53,705	X	X
54133	Engineering services .....	48,868	47,135	45,346	45,240	43,806	X	3.7	3.9	11.6	X	141,349	X	X
5415	Computer systems design and related services .....	53,378	53,764	50,377	51,177	48,919	49,754	-0.7	6.7	9.1	8.1	157,519	147,264	7.0
5416	Management, scientific, and technical consulting services .....	41,882	42,874	40,089	38,878	38,553	39,040	-2.3	6.9	8.6	9.8	124,845	116,204	7.4
5418	Advertising and related services .....	18,853	19,101	17,838	19,884	18,163	18,394	-1.3	7.1	3.8	3.8	55,792	54,090	3.1
541 pt	Other professional, scientific, and technical services <sup>4</sup> .....	42,919	43,894	41,378	41,310	40,559	X	-2.2	6.1	5.8	X	128,191	X	X
<b>56</b>	<b>Administrative and support and waste management and remediation services</b> .....	<b>147,254</b>	<b>145,078</b>	<b>136,967</b>	<b>143,513</b>	<b>142,551</b>	<b>X</b>	<b>1.5</b>	<b>5.9</b>	<b>3.3</b>	<b>X</b>	<b>429,299</b>	<b>X</b>	<b>X</b>
56 pt	Administrative and support and waste management and remediation services (except landscape service) .....	133,746	131,628	126,792	131,566	130,432	130,928	1.6	3.8	2.5	0.5	392,166	387,927	1.1
561	Administrative and support services .....	127,757	126,983	120,066	126,089	125,169	X	0.6	5.8	2.1	X	374,806	X	X
5613	Employment services .....	43,637	43,465	42,325	44,825	42,665	42,666	0.4	2.7	2.3	1.9	129,427	126,997	1.9
5615	Travel arrangement and reservation services .....	9,184	9,575	8,740	8,253	8,660	8,826	-4.1	9.6	6.1	8.5	27,499	25,199	9.1
561 pt	Other administrative and support services <sup>5</sup> .....	74,936	73,943	69,001	73,011	73,844	X	1.3	7.2	1.5	X	217,880	X	X
562	Waste management and remediation services .....	19,497	18,095	16,901	17,424	17,382	17,174	7.7	7.1	12.2	5.4	54,493	50,463	8.0

**Table 1. Selected Services - Estimated Quarterly Revenue for Employer Firms**

[Estimates have not been adjusted for seasonal variation, holiday or trading-day differences, or price changes. Estimates are based on data from the Quarterly Services Survey and have been adjusted using results of the 2005 Service Annual Survey. All estimates are based on the 2002 North American Industry Classification System (NAICS). For additional information see [www.census.gov/qss](http://www.census.gov/qss)]

2002 NAICS code	Kind of business	Total revenue (millions of dollars)						Percent change				Year to date		
		3Q 2007 (p)	2Q 2007 (r)	1Q 2007	4Q 2006	3Q 2006	2Q 2006	3Q 2007 from 2Q 2007 (p)	2Q 2007 from 1Q 2007 (r)	3Q 2007 from 3Q 2006 (p)	2Q 2007 from 2Q 2006 (r)	2007 (p)	2006	2007 from 2006 (p)
<b>62 pt</b>	<b>Selected health care services <sup>6</sup> .....</b>	<b>213,459</b>	<b>213,839</b>	<b>211,277</b>	<b>203,780</b>	<b>199,533</b>	<b>199,162</b>	<b>-0.2</b>	<b>1.2</b>	<b>7.0</b>	<b>7.4</b>	<b>638,575</b>	<b>595,593</b>	<b>7.2</b>
622	Hospitals .....	172,346	173,070	171,232	164,717	160,524	160,301	-0.4	1.1	7.4	8.0	516,648	479,263	7.8
623	Nursing and residential care facilities .....	41,113	40,769	40,045	39,063	39,009	38,861	0.8	1.8	5.4	4.9	121,927	116,330	4.8

(p) Preliminary estimate. (r) Revised estimate. X Not applicable.

(1) Includes NAICS 51113 (book publishers), 51114 (directory and mailing list publishers), and 51119 (other publishers).

(2) Includes NAICS 5173 (telecommunications resellers), 5174 (satellite telecommunications), and 5179 (other telecommunications).

(3) Includes all of NAICS 5413 (architectural, engineering, and related services) except 54133 (engineering services).

(4) Includes NAICS 5414 (specialized design services), 5417 (scientific research and development services), and 5419 (other professional, scientific, and technical services).

(5) Includes NAICS 5611 (office administrative services), 5612 (facilities support services), 5614 (business support services), 5616 (investigation and security services), 5617 (services to buildings and dwellings), and 5619 (other support services).

(6) Includes NAICS 622 (hospitals) and 623 (nursing and residential care facilities).

Note: Sector totals and subsector totals may include data for kinds of business not shown. Table 2 provides estimated measures of sampling variability. Data users who create their own estimates using data from this report should cite the U.S. Census Bureau as the source of the original data only. Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at [www.census.gov/svsd/www/qssreliability.html](http://www.census.gov/svsd/www/qssreliability.html).

**Table 2. Selected Services - Estimated Measures of Sampling Variability**

[Estimates are shown as percents and are based on data from the Quarterly Services Survey]

2002 NAICS code	Kind of business	Median coefficient of variation for quarterly total revenue	Median standard error <sup>1</sup> for percent change		Coefficient of variation for year to date	Standard error for percent change
			Ratio of two consecutive quarters	Current quarter to current quarter last year	2007	2007 year to date from 2006 year to date
<b>51</b>	<b>Information .....</b>	<b>0.8</b>	<b>0.4</b>	<b>0.8</b>	<b>0.7</b>	<b>0.5</b>
511	Publishing industries (except Internet) .....	2.1	0.8	2.3	2.1	X
51111	Newspaper publishers .....	4.6	0.8	3.5	4.6	X
51112	Periodical publishers .....	6.3	1.4	5.7	6.5	X
5111 pt	Book, directory and mailing list, and other publishers .....	2.1	1.2	2.5	2.0	X
5112	Software publishers .....	3.3	1.7	5.3	3.0	3.1
512	Motion picture and sound recording industries .....	2.1	1.6	3.4	2.0	2.1
515	Broadcasting (except Internet) .....	2.4	0.5	2.0	2.3	X
5151	Radio and television broadcasting .....	3.2	0.9	2.6	3.1	1.1
5152	Cable and other subscription programming .....	1.6	0.2	1.9	1.4	X
516,	Internet publishing and broadcasting, Internet service providers and web search portals, and other information services .....	6.3	2.3	4.5	6.3	X
519	Telecommunications .....	1.6	0.3	1.8	1.5	X
5171	Wired telecommunications carriers .....	3.6	0.7	2.5	3.6	1.5
5172	Wireless telecommunications carriers (except satellite) .....	1.1	0.3	1.6	1.1	1.0
5175	Cable and other program distribution .....	1.3	0.2	1.7	1.2	X
517 pt	Other telecommunications .....	5.3	1.6	16.5	5.1	4.9
5182	Data processing, hosting, and related services .....	4.4	2.0	6.8	4.4	4.5
<b>54</b>	<b>Professional, scientific, and technical services .....</b>	<b>2.5</b>	<b>0.7</b>	<b>2.5</b>	<b>2.5</b>	<b>X</b>
54 pt	Professional, scientific, and technical services (except landscape architectural services and veterinary services) .....	2.4	0.7	2.4	2.4	1.1
5411	Legal services .....	5.6	2.3	4.7	5.9	X
5412	Accounting, tax preparation, bookkeeping, and payroll services .....	8.2	2.6	7.4	8.7	5.7
5413	Architectural, engineering, and related services .....	6.1	1.5	2.7	5.9	X
5413 pt	Architectural and related services .....	5.8	3.3	6.2	5.5	X
54133	Engineering services .....	7.7	1.4	2.9	7.4	X
5415	Computer systems design and related services .....	3.7	1.7	5.6	3.5	2.5
5416	Management, scientific, and technical consulting services .....	4.6	1.6	7.5	4.6	3.8
5418	Advertising and related services .....	3.9	1.6	3.6	3.7	2.1
541 pt	Other professional, scientific, and technical services .....	8.0	1.3	8.1	8.2	X
<b>56</b>	<b>Administrative and support and waste management and remediation services .....</b>	<b>3.1</b>	<b>0.8</b>	<b>3.4</b>	<b>2.8</b>	<b>X</b>
56 pt	Administrative and support and waste management and remediation services (except landscape services) .....	3.6	0.8	3.5	3.5	1.4
561	Administrative and support services .....	3.5	0.9	3.6	3.3	X
5613	Employment services .....	4.5	1.1	5.5	4.4	2.8
5615	Travel arrangement and reservation services .....	8.3	3.7	7.2	8.2	5.6
561 pt	Other administrative and support services .....	4.5	1.4	4.5	4.3	X
562	Waste management and remediation services .....	7.2	1.7	8.1	7.0	4.5
<b>62 pt</b>	<b>Selected health care services .....</b>	<b>2.5</b>	<b>0.6</b>	<b>1.9</b>	<b>2.4</b>	<b>1.3</b>
622	Hospitals .....	3.1	0.6	2.1	3.1	1.5
623	Nursing and residential care facilities .....	4.9	0.7	3.4	5.0	2.6

X Not applicable.

(1) The medians are based on estimates for the most recent four quarters.

Note: Additional information on confidentiality protection, sampling error, nonsampling error, sample design, and definitions may be found at [www.census.gov/svsd/www/qssreliability.html](http://www.census.gov/svsd/www/qssreliability.html).

## Survey Description

The U.S. Census Bureau conducts the Quarterly Services Survey (QSS) to provide national estimates of quarterly revenue for employer firms located in the United States and classified in select service industries. The QSS sample includes firms classified in NAICS 51 (Information), NAICS 54 (Professional, scientific, and technical services), NAICS 56 (Administrative and support and waste management and remediation services), and NAICS 62 (Hospitals and nursing and residential care facilities). Each quarter, questionnaires are mailed to a probability sample of approximately 6,000 employer firms selected from the larger Service Annual Survey (SAS) sample. The QSS sample includes firms of all sizes and is updated on a quarterly basis to account for new service businesses, deaths, and other changes to the survey universe. Data for nonresponding firms are imputed based on data for similar-sized firms classified in the same kind of business. For NAICS 51 (Information sector), imputed revenue amounts to about 9 percent of the total revenue estimate; for NAICS 54 (Professional, scientific, and technical services except landscape architectural services and veterinary services) imputed revenue amounts to about 25 percent; for NAICS 56 (Administrative and support and waste management and remediation services except landscape services) imputed revenue amounts to about 31 percent, and for NAICS 62 (Hospitals and nursing and residential care facilities) imputed revenue amounts to about 22 percent. Quarterly revenue estimates are obtained by summing weighted data (either reported or imputed), where the weight for a particular unit is the reciprocal of its probability of being selected into the sample. The quarterly revenue estimates are adjusted using SAS results. Additional information on the QSS can be found on the Census Bureau website at: <http://www.census.gov/qss>.

## Reliability of the Estimates

The estimates in this report may differ from the actual, but unknown, population values. For a particular estimate, statisticians define this difference as the total error of the estimate. When describing the accuracy of survey results, it is convenient to discuss total error as the sum of sampling error and nonsampling error.

Nonsampling error is the difference between the actual population parameter and the value that would be derived by surveying the entire set of units identified as the survey universe (the sampling frame). There are many potential contributors to nonsampling error – the inclusion of erroneous units in the survey (overcoverage), the exclusion of eligible units from the survey (undercoverage), nonresponse, misreporting, mistakes in recording and coding responses, misinterpretation of questions, and other errors of collection, response, coverage, or processing. Though nonsampling error is not measured directly, the Census Bureau employs quality control procedures throughout the process to minimize this type of error.

Sampling error is the average difference between the estimate and the result that would be obtained from a complete enumeration of the sampling frame conducted under the same survey conditions. This error occurs because only a subset of the entire sampling frame is measured in a sample survey. Common measures of sampling error are the sampling variance, the standard error, and the coefficient of variation (CV). The sampling variance is defined as the squared difference, averaged over all possible samples of the same size and design, between the estimator and its average value. The standard error is the square root of the sampling variance. The CV expresses the standard error as a percentage of the estimate to which it refers. For example, an estimate of 200 units that has an estimated standard error of 10 units has an estimated CV of 5 percent. The sampling variance, standard error, and CV of an estimate can be estimated from the selected sample because the sample was selected using probability sampling. Standard errors and coefficients of variation are given in Table 2 of this report.

The first page of this release gives statements about the change in revenue from a prior period. Each change estimate is accompanied by a number in parentheses, called the “margin of error.” The margin of error can be used to construct a 90-percent confidence interval, which is interpreted as follows. If, for each possible sample, an estimate and its approximate standard error are obtained, then for approximately 90 percent of the possible samples, the interval from 1.65 standard errors below to 1.65 standard errors above the estimate would include the average of the estimates derived from all possible samples. If, for example, a particular change estimate is +1.2 percent and its associated margin of error is  $\pm 1.5$  percentage points, then the 90-percent confidence interval for the change estimate is -0.3 percent to +2.7 percent. If the interval contains 0, then one does not have sufficient evidence to conclude at the 90-percent confidence level that the actual change is different from zero. Each comparison stated in this report has undergone statistical testing and is significant at the 90-percent confidence level, unless otherwise noted.

Data users should take into account the estimates of sampling error and the potential effects of nonsampling error when using the statistics in this publication.